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NOTICE OF CONFIDENTIALITY RIGHTS: A NATURAL PERSON MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION BEFORE IT IS FILED IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

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OIL, GAS AND MINERAL LEASE

1. Lessor, in consideration of ten dollars and other valuable consideration, receipt of which is bereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lesse and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, suitifur and all other mining and operating for, producing and owning oil, gas, suitifur and all other minings is twittener or not similar to indoes mentioned), logother with the right is make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface disposal of sall water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures on said land, necessary or useful in Lessee's operations in exploring, drilling for, producing, freating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land," is located in the County of Tarrant, State of Texas, and is described as follows:

See Exhibit "A" attached hereto and made a part hereof

This lease also covers and includes, in addition to that above described, all land, if any, contiquous or adjacent to or adjoining the land above described and (a) owned or claimed by Lesser by limitation, prescription, possession, reversion, after-acquired title or unrecorded instrument or (b) as to which Lessor has a preference right of adjustion. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land should be deemed to contain \$\frac{\infty}{25}\frac{\infty}{\infty}\$ acres, whether actually containing more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof. Lessor scoepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

- Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of <u>Three [3]</u>
 years from the date hereof, hereinafter called "primary term," and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.
- said land with no cessation for more than ninety (90) consecutive days.

 3. As royalty, Lessee covernants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee, to pay Lessor the average posted market price of such 25% part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear 25% of the cost of treating oil to render it marketable pipe line oil; (ii) To pay Lessor on gas and casinghead gas produced from said land (1) when sold by Lessee, 25% of the amount realized by Lessee, computed at the well, or (2) when used by Lessee of the amount realized by Lessee or no mouth of the well, or (2) when used by Lessee of the amount realized by Lessee or no mouth of the well, or (2) when used by Lessee of the amount realized by Lessee from said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, of 25% of such gas and casinghead gas, (c) To pay Lessor on all other minerals mined and marketed the royalty shall be one dollar (3). (0) per long for, if, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producting oil or gas, and all such wells are structin, this lease shall, revertheless, continue in force as though operations were being conducted on said land for so long as said wells are structin, this lease shall, revertheless, continue in force as though operations were being conducted on said land structure. It is to use reasonable diligence to produce the remarket the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be equired to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and elase tank, and shall not be required to install or furnish facilities other than well facilities and ordinary lease facilities of lo
- whole of in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to accreage owned by each.

 4. Lessee is hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land, lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than 80 surface acres, plus 10% accreage tolerance; provided, however, units may be established as to any one or more horizons, so as to contain not more than 840 surface acres pius 10% acreage tolerance, it limited to one or more of the following: (1) gas, other than casinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced from wells classified as gas wells by the conservation agency having jurisdiction. If larger units than any of those herein permitted, either at the ine established, or after enlargement, are permitted or required or duried any operamental nate or order, for the drilling or operation of a well at require location, or for obtaining maximum allowable from any well to be drilled, drilling, or already drilled, any such unit may be established or enlarged to contorn to the size permitted or required by such governmental order or rule. Lesse said option as to each desired unit by executing an instrument identifying such unit and filing it for record in the public office in which this lease is recorded. Such unit shall become effective on the date such instrument or instruments are so fleed or record. Each of said options may be exercised by Lessee at any time and from time to time while this lease is in force, and whether before or after operations to production have been established either on said land, or on the portion of said land included in the unit, or on other land unitized therewith. A unit established hereunder shall be valid and effectively pooled or unitized. Any operations conducted on any part of such unitized therewith. A unit established

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words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

- 5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.
- 6. Whenever used in this lease the word "operations" shall mean operations for and/or any of the following: Preparing the drillsite location and/or access mad, drilling, testing, completing, reworking, recompleting, deepening, sidetracking, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other mineral, whisther or not in paying quantities.
- 7. Lessee shall have the use, free from royalty, of water, other than from Lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and factures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the Lessor. Lessee shall pay for damages caused by its operations to growing crops and timber on said land.
- 8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royattles, or other moneys, or any part thereof, howsoever effected, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to Lessee, its successors or assigns, no change or division in the ownership of said land or of the royatiles, or other moneys, or the right to receive the same, howsoever effected, shall be binding upon the then record owner of this lease until story (60) days after there has been furnished to such record owner at his or its principal place of business by Lessor or Lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly certified copies of the instruments which have been properly filed for record and which evidence such change or division, and of such court records and proceedings, transcripts, or other documents as shall be necessary in the opinion of such record owner to establish the validity of such change or division. If any such change in ownership occurs by reason of the death of the owner, Lessee may, nevertheless pay or tender such royatties, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.
- 9. In the event Lessor considers that Lessee has not complied with all its obligations hereunder, both express and implied. Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the tapse of sixty (60) days after service of such notice on Lassee. Neither the service of said notice nor the doing of any acts by Lessee almed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lesse is carciated for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less that forty acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square conterned at the well, or in such shape as then existing spacing rules required and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land and as are necessary to operations on the acreage so retained and shall not be required to move or remove any existing surface facilities necessary or convenient for current operations.
- 10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but Lessor agrees that Lessee shall have the right at any time to pay or reduce same for Lessor, either before or after maturity, and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to Lessor and/or assigns under this lease, if this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is harein specified or not), or no interest therein, then the noyalties and other moneys according from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest ferrein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All poyally interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.
- 11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.
- 12. Easeor agrees that this lease covers and includes any and all of Lessor's rights in and to any existing well(s) and/or wellbore(s) on said land, other than existing water wells, and for all purposes of this lease the re-entry and use by Lessee of any existing well and/or wellbore shall be deemed the same as the drilling of a new well.
- 13. Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.
- 14. As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lessee may encounter difficulty securing surface location(s) for drilling, reworking or other operations. Therefore, since drilling, reworking or other operations are either restricted or not allowed on said land or other leases in the vicinity, it is agreed that any such operations conducted at a surface location off of said land or off of fands with which said land are protect in accordance with this lease, provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under said land or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on said land. Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions contained in this lease, except as expressly stated.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

LESSOR(S)

STATE OF IEXAS)

COUNTY OF TARRANTI

This instrument was acknowledged before me on the grant day of October, 2009 by ARAGUE DUIGHT SANDOS A SINGLE MAN

Printed: Shully Davings

SHELLY DEWINNE Notery Public, Stere of Texas My Commission Express August 17, 2011

EXHIBIT "A"

Attached hereto and made a part hereof that certain Oil, Gas and Mineral Lease dated October 5, 2009, by and between, Darnelle Dwight Sanders, a single man, and XTO Energy Inc.

LEGAL DESCRIPTION:

Lot 19, Block 11 of Brookmeadow Addition, Section Two, an addition to the City of Arlington, Tarrant County, Texas, according to the map or plat thereof recorded in Volume 388-187, Page 18, of the Piat Records, Tarrant County, Texas.

This lease shall include all streets, alleyways, easements, gores and strips of land adjacent thereto.